

FOR: CONTINUING THE OFFICE OF PUBLIC FINANCE

TO ALL TO WHOM THESE PRESENTS MAY COME, GREETINGS.

WHEREAS, through Executive Order 01-17, dated December 3, 2001, Governor Frank O'Bannon initially established the Office of Public Finance for the State of Indiana;

WHEREAS, in establishing the Public Finance Office, Governor O'Bannon recognized the importance to the State of Indiana of formulating and applying policies for the management of bonds, notes and other evidences of indebtedness issued by bodies corporate and politic and instrumentalities of the State;

WHEREAS, it is in the interest of all the citizens of Indiana that the State of Indiana communicate regularly, substantively and in one voice with participants in the financial markets, including credit rating agencies, investment bankers, investors, municipal bond insurers and other credit enhancers and underwriters; and

WHEREAS, it is in the best interest of the State of Indiana to continue the work of the Public Finance Office;

NOW, THEREFORE, I, JOSEPH E. KERNAN, by virtue of the authority vested in me as Governor of the State of Indiana, do hereby order that:

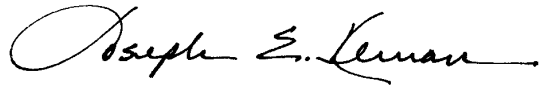
1. The Office of Public Finance established under the Executive Order 01-17 (the "Public Finance Office") shall be continued.
2. The Public Finance Office shall be managed by the Public Finance Director, who shall be appointed by and serve at the pleasure of the Governor. The Public Finance Director shall also serve as Executive Assistant to the Governor for public finance, debt issuance and management and pension investment matters.
3. The Public Finance Director and employees of the Public Finance Office shall be employed by (and housed with) the Indiana Development Finance Authority or the Indiana Transportation Finance Authority.
4. The Public Finance Director is authorized and directed to establish and manage an annual budget funded through contributions from those issuers of bonds, notes and other evidences of indebtedness and programs that benefit from the work of the Public Finance Office. Such issuers and programs include, but are not limited to, the Indiana Development Finance Authority, Indiana Port Commission, Indiana Recreational Development Commission, State Fair Commission, Indiana State Office Building Commission and Indiana Transportation Finance Authority, and the State Wastewater Revolving Loan Program and State Drinking Water Revolving Loan Program (the "Issuers" and the "Programs"). To the extent the Public Finance Office provides financial advisory services to an Issuer or a Program, the Public Finance Office may be compensated from proceeds of the sale of bonds, notes or other evidences of indebtedness.
5. The Public Finance Director is authorized to hire such staff as may be necessary or appropriate with the prior approval of the Governor.
6. The Public Finance Director shall coordinate, monitor and oversee the debt issuance and management activities of all the Issuers and Programs, including

such additional issuers and programs as the Governor may designate or direct from time to time.

7. The Public Finance Director shall also advise the Governor as to debt issuance and management activities and investment matters of all bodies corporate and politic and instrumentalities of the State of Indiana and programs that benefit the State and its citizens or for-profit and non-profit organizations, including issuers of “conduit debt” (the “Special Purpose Issuers” and the “Special Programs”). Special Purpose Issuers and Special Programs include, but are not limited to, the Board for Depositories, Indiana Development Finance Authority, Indiana Educational Facilities Authority, Indiana Health Facility Financing Authority, Indiana Housing Finance Authority, Intelnet Commission, Indiana Political Subdivision Risk Management Commission, Indiana Secondary Market for Education Loans, Inc., the Indiana White River State Park Development Commission, and the Public Employees’ Retirement Fund (“PERF”) and Indiana State Teachers’ Retirement Fund (“TRF”).
8. The Public Finance Director is further authorized and directed to:
 - (a) in connection with the Issuers and the Programs, retain bond and other financing- and project-related legal counsel (with the approval of counsel to the Governor) and such other financial advisers, investment bankers and project consultants and underwriters as may be necessary or appropriate;
 - (b) monitor or oversee, as appropriate, all issues of bonds, notes and other evidences of indebtedness which are (or may be) (i) payable from State appropriations, (ii) secured by a State of Indiana moral obligation, or (iii) purchased by or for a State fund, including, but not limited to, any Program or Special Program;
 - (c) advise and work with the State Budget Director on debt issuance and management and investment matters, including a debt database;
 - (d) work with the Treasurer of State and the staff of the Indiana Bond Bank on debt issuance and management and investment matters;
 - (e) advise and work with the Indiana Commission for Higher Education on debt issuance and management and investment matters;
 - (f) coordinate all communications with and presentations to credit rating agencies, investors and prospective investors with respect to the State of Indiana and its credit and economy, the Issuers and the Programs;
 - (g) participate in meetings of investment committees and task forces of or for Special Programs, including PERF and TRF;
 - (h) when designated or otherwise authorized by the Governor, chair the Indiana Transportation Finance Authority and the Board for Depositories and, when requested by the Governor, serve as the Governor’s representative on finance and related boards;
 - (i) recommend qualified candidates for membership on finance and related boards, including those of the Issuers and Programs and the Special Purpose Issuers and Special Programs;
 - (j) advise Issuers and Programs on good disclosure practices and coordinate and help Issuers and Programs fulfill their current and continuing disclosure obligations;
 - (k) advise the Governor on legislation that may affect debt issuance and management, investment matters, or outstanding bonds, notes and other evidences of indebtedness issued by or for the Issuers and Programs or the Special Purpose Issuers and Special Programs.

9. All Executive Department agencies, authorities, boards, bodies corporate and politic, commissions, instrumentalities, officers, public corporations and Issuers, Programs, Special Purpose Issuers and Special Programs of the State of Indiana shall cooperate with and provide assistance and information to the Public Finance Director in the implementation of this Executive Order to the fullest extent allowed by law.
10. This Executive Order is effective as of September 13, 2003.

IN TESTIMONY WHEREOF, I, Joseph E. Kernan, have hereunto set my hand and caused to be affixed the Great Seal of the State of Indiana on this 1st day of October, 2003.

A handwritten signature in black ink, reading "Joseph E. Kernan". The signature is fluid and cursive, with a long horizontal stroke at the end.

Joseph E. Kernan, Governor of Indiana

ATTEST: Todd Rokita
Secretary of State